THE WOODLANDS TOWNSHIP

BOARD OF DIRECTORS

SPECIAL MEETING

AUGUST 12, 2010

MINUTES

THE STATE OF TEXAS

COUNTIES OF HARRIS & MONTGOMERY

The Board of Directors of The Woodlands Township met in special session, open to the public, on August 12, 2010, posted to begin at 6:30 p.m. The meeting was held at the office of The Woodlands Township, Service Center, 2201 Lake Woodlands Drive, The Woodlands, Texas, within the boundaries of The Woodlands Township.

DIRECTORS PRESENT: Chairman Bruce Tough, Vice Chairman Lloyd Matthews, Secretary Claude

Hunter, Director Nelda Blair, Director Tom Campbell, and Director Peggy

Hausman

DIRECTORS ABSENT: Treasurer Ed Robb

STAFF/ADVISORS: Don Norrell, President/General Manager, John Powers, Assistant General

Manager Community Services, Monique Sharp, Assistant General Manager of Finance & Administration, Fire Chief Alan Benson, Susan Welbes, Director of Human Resources, Nick Wolda, Director of Community Relations/CVB President, Miles McKinney, Legislative Affairs & Transportation Manager,

Karen Dempsey, Management Analyst, Mike Page, Legal Counsel

CALL TO ORDER AND CONVENE IN PUBLIC SESSION;

Chairman Tough called the meeting to order at 6:40 p.m. and declared that notice of this meeting was posted 72 hours in advance at the Courthouses of Montgomery and Harris Counties and inside the boundaries of The Woodlands Township at The Woodlands Township Service Center building located at 2201 Lake Woodlands Drive, The Woodlands, Texas. As there was a quorum of members present, the Board proceeded to conduct business regarding the following matters.

ADOPTION OF AGENDA;

Chairman Tough called for a motion and second to adopt the agenda.

MOTION: Motion by Secretary Hunter; second by Director Campbell

VOTE: Ayes: Chairman Tough

Vice Chairman Matthews

Secretary Hunter Director Blair Director Campbell Director Hausman

Nays: None

Absent: Treasurer Robb

ACTION: Motion passed unanimously

RECOGNIZE PUBLIC OFFICIALS;

No public officials were recognized.

PUBLIC COMMENT;

There was no public comment.

RECEIVE, CONSIDER AND TAKE ANY NECESSARY ACTION UPON A PRESENTATION REGARDING THE POTENTIAL REFUNDING OF THE WOODLANDS TOWNSHIP'S OUTSTANDING SALES AND USE TAX AND HOTEL OCCUPANCY TAX BONDS, SERIES 2001, INCLUDING AUTHORIZING PREPARATION OF PRELIMINARY OFFERING DOCUMENTS, APPLICATIONS FOR RATINGS AND/OR MUNICIPAL BOND INSURANCE, SELECTION OF AN UNDERWRITER(S) AND ENGAGEMENT OF SPECIAL TAX COUNSEL;

Mike Page provided introductory comments on this item and then called on Drew Masterson, Managing Director of First Southwest Company to provide additional information. Mr. Masterson provided handout material and then summarized the refunding of the Convention Center Bonds. In summary, the principal amount of the Sales Tax and Hotel Occupancy Bonds, Series 2001 used to finance the Convention Center totals \$40.53 million with a call date of March 1, 2011 at a 5.28 percent interest rate. The Woodlands Township would have a potential opportunity to refinance the Bonds at a 3.6 percent interest rate. If this were to occur, then there would be an annual gross savings of \$349,900 or \$5,949,835 over the course of the Bonds which should be paid off in 2027. Mr. Masterson recommended that the Board begin the process of refinancing as soon as possible.

Following Mr. Masterson's presentation, Chairman Tough called for a motion and second to authorize preparation of preliminary offering documents, application for rating and/or municipal bond insurance, selection of an underwriter(s) using a Request for Proposal by negotiated process and engagement of special tax counsel identified as Vinson & Elkins.

MOTION: Motion by Director Blair; second by Vice Chairman Matthews

VOTE: Ayes: Chairman Tough

Vice Chairman Matthews

Secretary Hunter Director Blair Director Campbell Director Hausman

Nays: None

Absent: Treasurer Robb

ACTION: Motion passed unanimously.

The Board will discuss this item further at their regular meeting on August 25, 2010.

Handout material is attached hereto as Exhibit "A".

<u>ADJOURN</u>

As there was no further business to discuss, Chairman Tough called for a motion and second to adjourn the meeting at 7:05 p.m.

MOTION: Motion by Secretary Hunter; second by Director Blair

Ayes: Chairman Tough

Vice Chairman Matthews

Secretary Hunter Director Blair Director Campbell Director Hausman

Nays: None

Absent: Treasurer Robb

ACTION: Motion passed unanimously.

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(SEAL)

Claude Hunter

Secretary, Board of Directors

EXHIBIT OMISSIONS*

EXHIBIT "A"

*To view Exhibits, please contact the Records Management Analyst at 281-210-3800.